

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Telegate's Proposal for Presubscription	)	DA 00-930
To 411 Directory Assistance Services	)	
	)	
Provision of Directory Listing Information	)	CC Docket No. 99-273
Under the Telecommunications Act of 1934,	)	
As Amended	)	
	)	
Telecommunications Relay Services and	)	CC Docket No. 98-67
Speech-to-Speech Services for Individuals	)	
With Hearing and Speech Disabilities	)	

**REPLY COMMENTS OF SBC COMMUNICATIONS INC.**

The glaring defect in the comments filed in support of Telegate's proposal is that they fail to deal meaningfully with the fundamental policy, feasibility, and cost issues raised by the proposal. As a result, there is no more substantive support for Telegate's proposal than existed before supporting comments were filed. In fact, the supporting comments raise even more issues. Like Telegate's proposal itself, the comments supporting Telegate's proposal can best be described as "pie in the sky." Presubscription to 411, 711 and other N11 codes is a bad idea and the Commission's consideration of it should be abandoned.

**I. INTRODUCTION AND SUMMARY**

In its initial Comments, SBC Communications Inc. (SBC) opposed the proposals to implement presubscription to the N11 codes "411" and "711." SBC argued that 411

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presubscription would offer little, if any, benefit, while imposing substantial costs.<sup>1</sup> SBC also pointed out that 411 presubscription raises significant legal and practical issues, not the least of which are the jurisdictional implications of the proposal. SBC also encouraged the Commission to reject balloting — should 411 presubscription be allowed — as balloting is costly and would lead to customer confusion and inconvenience. Finally, SBC pointed out to the Commission that 711 presubscription would unnecessarily complicate and delay implementation of 711 for Telecommunications Relay Service (TRS).

## **II. DISCUSSION**

### **A. 411 Presubscription**

Several commenters echo SBC's observation that the costs of 411 presubscription far outweigh any public benefits from that proposal. Bell Atlantic, BellSouth, GTE, USTA, and U S West each note that competition for DA services is already intense and that there is accordingly no compelling public policy reason to require 411 presubscription. These parties also point out that Telegate's proposal would be extremely expensive to implement. For example, Bell Atlantic notes that it would have to: (1) establish new AIN databases (SCPs) or augment the capacity of its existing databases to contain the 411 presubscription information, (2) install new circuits between its STPs and SCPs; and (3) modify numerous operations support systems (OSS). Bell Atlantic estimates that the OSS costs alone would run at least \$20 to \$25 million. Bell Atlantic explains that, in addition to these costs, it might also be necessary to increase the capacity of its STPs and of the links that connect them to Bell Atlantic end offices, as well as perform switch

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<sup>1</sup> The network cost alone of implementing intraLATA presubscription in SBC's Southwestern Bell Telephone Company territory was \$25 - \$30 million. This does not include non-network costs and the costs incurred by SBC's other LECs.

processor upgrades.<sup>2</sup> Likewise, US West – the smallest of the RBOCs – states that Telegate’s proposal would cost US West \$20.8 million up-front, with an annual recurring network maintenance expense of \$1.2 million.<sup>3</sup>

Several commenters also point the Commission to policy concerns Telegate failed to address, including cost recovery, increases in slamming, disparities in the treatment of carriers and non-carrier providers of DA, and jurisdictional conflicts.

These commenters also strongly opposed the use of balloting to implement 411 presubscription. GTE, for example, noted that, even taking Telegate’s estimate of \$1 per line for balloting, balloting would cost over \$200 million.<sup>4</sup>

In contrast, only one commenter, WorldCom, gave unqualified support for Telegate’s proposal.<sup>5</sup> According to WorldCom, 411 presubscription would be the best way to “open[] DA service to competition[.]”<sup>6</sup> But as SBC and others point out, the DA market is already open to

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<sup>2</sup> Bell Atlantic Comments at 3-4.

<sup>3</sup> US West Comments at 15. *See also* GTE Comments at 10-17 (estimating industry – exclusive of balloting – to be in excess of \$100 million); BellSouth Comments at 16 (“Telegate’s cost estimates appear materially understated in the first instance.”); USTA Comments at 8 (USTA strongly takes exception to the amounts offered by Telegate and is certain the costs would be substantially greater, thereby creating an unwarranted burden on the carriers and their customers.”).

<sup>4</sup> GTE Comments at 17.

<sup>5</sup> Moultri Independent Telephone Company also supports the proposal, subject to the *caveat* that the Commission preempt the states from requiring incumbent LECs to offer DA services. Moultri Comments at 2.

<sup>6</sup> WorldCom Comments at 3.

competition.<sup>7</sup> In fact, as the Commission recognized in the *UNE Remand Order*, this market has been open to competition since the divestiture, and nearly thirty CLECs either provide their own DA service or resell the services of non-incumbent LECs.<sup>8</sup>

More significantly, WorldCom glosses right over the economic viability and technical feasibility issues associated with the proposal. Indeed, its argument begins and ends with one facile statement: “Based on WorldCom’s knowledge of local exchange carrier networks utilizing SS7 and AIN, there is no reason for WorldCom to believe that the cost of implementing network changes, and the cost of ballot and allocation, are high.”<sup>9</sup> Obviously, that will not do. SBC and other commenters have shown that the Telegate Proposal raises a host of implementation challenges and would impose substantial costs on the industry — and, by extension, consumers. These costs far exceed any consumer benefit that could be offered by 411 presubscription.

#### **B. Metro One’s 411XX Proposal**

Metro One offers an alternative to 411 presubscription: the use of 411XX, wherein every DA provider, including ILECs, would have its own ‘411XX’ code. According to Metro One, a 411XX proposal would represent “the most equitable solution — and possibly the easiest for the Commission to implement[.]”<sup>10</sup> Like Telegate, though, Metro One offers nothing more than a

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<sup>7</sup> For example, DA can be obtained through AT&T’s “00INFO” service, Worldcom’s “10-10-9000” service, and through any number of online services, including [www.411locate.com](http://www.411locate.com); [www.555-1212.com/looku.cfm](http://www.555-1212.com/looku.cfm); [www.infospace.com/info/reverse.html](http://www.infospace.com/info/reverse.html); [www.whitepages.com](http://www.whitepages.com); [www.telephonedirectory.com/frames/anywherereverse.html](http://www.telephonedirectory.com/frames/anywherereverse.html); [www.home.netscape.com/netcenter/whitereverse.html](http://www.home.netscape.com/netcenter/whitereverse.html); and [www.infousa/homesite/index.html](http://www.infousa/homesite/index.html).

<sup>8</sup> See SBC Comments at 2.

<sup>9</sup> WorldCom Comments at 2.

<sup>10</sup> Comments of Metro One Telecommunications, Inc., page 6.

half-baked idea. Its two-paragraph discussion of this matter does not even begin to address the problems raised by its proposal.

Most notably, Metro One does not address the implications of its proposal for consumers. While consumers today have the option of reaching a DA provider by dialing three digits, 411, they would be denied this option. In fact, while Metro One suggests that two additional digits might suffice, clearly three would be required, since two would accommodate only 99 DA providers. Indeed, SBC assumes that, in order for a DA provider accessed through 411XXX dialing to bill for a call, it would have to have a way of identifying the caller; hence callers would likely be required, not only to dial the 3 additional digits to access the provider, but to punch in some kind of customer identification number. Worse yet, the elimination of 411, in favor of 411XXX would lead to massive consumer confusion. If the industry's experience with long-distance carrier access codes is illustrative, it would take years for consumers to be accustomed to 411XXX dialing.<sup>11</sup> During the interim, huge numbers of consumers simply would not be aware of – or would forget – the DA code of their DA provider. These consumers would find themselves unable to access a DA service at all. That alone is reason to reject Metro One's proposal.

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<sup>11</sup> The Commission has received large numbers of complaints from consumers who, for one reason or another, did not use an access code to reach their operator service provider of choice. In fact, to combat the problem of customer resistance to access code dialing, the Commission sought comment on a "billed party preference" routing methodology for 0+ interLATA payphone traffic and other operator-assisted interLATA traffic. See Bell Atlantic Petition for Rulemaking to Establish Uniform Dialing Plan From Pay Telephones, RM 6723, April 13, 1989. In 1992, the Commission tentatively concluded that, in concept, the costs of billed party preference exceeded its benefits. *Billed Party Preference for 0+ InterLATA Calls*, Notice of Proposed Rulemaking, 7 FCC Rcd 3027 (1992). While the Commission ultimately did not adopt this proposal, it took many years for consumers to become accustomed to long-distance access codes.

But there are other reasons as well. In particular, consumer education costs aside, Metro One's proposal would be extremely expensive. SBC's end office switches are configured to recognize three, seven or ten digit dialing patterns. They would not recognize the five or six digit dialing pattern suggested by Metro One. Therefore, in order to implement Metro One's proposal, SBC would have to design and implement switch modifications for each and every one of its more than 3200 switches. SBC does not know exactly what these modifications would cost, but they could run in the tens of millions of dollars for SBC alone.

**C. Use of LIDB for 411 Presubscription**

Illuminet, Inc., does not take a position on whether the Commission should order 411 presubscription, but argues that, should it be ordered, "the existing Line Information Database (LIDB) platform with minor modifications should be relied upon to implement that directive."<sup>12</sup> It is unclear whether Illuminet is proposing that the LIDB platform be mandated, or simply that carriers have the option to use it. SBC believes that Illuminet's intent is to urge that carriers be given flexibility to implement any 411 presubscription requirement, and, if the Commission requires 411 presubscription, SBC supports this reading of Illuminet's comments. To the extent, however, that Illuminet asks the Commission to require carriers to use their LIDB for 411 presubscription, SBC strongly opposes this request. LIDB does not currently contain a field for presubscribed DA provider. In order to populate LIDB with such information, that field would have to be created, and SBC would then have to load huge volumes of information — every customer's chosen DA provider — into LIDB. These processes would cost millions of dollars.

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<sup>12</sup> Comments of Illuminet, Inc., page 2.

Moreover, SBC's end office switches do not have the ability to launch a query to LIDB;<sup>13</sup> rather, only its operator service switches launch those queries. Thus, in order to access the necessary DA information from LIDB, SBC would have to modify each of its end office switches. It is not just SBC, though, that would be forced to make expensive switch modifications. Every PBX would likely have to be modified — imposing substantial cost and inconvenience on end users.

#### **D. 711 Presubscription**

The National Association of the Deaf — Telecommunications Advocacy Network, Consumer Action Network, and TDI (together, NAD) filed comments in support of 711 presubscription. NAD acknowledges that, with the exception of California, each state has only one provider of TRS services. NAD also acknowledges that this proceeding is not the proper place to debate the merits of a multi-TRS provider approach. Nevertheless, without any serious consideration of the costs of 711 presubscription, they urge the Commission to require it.

As SBC and others explained in their comments, the technical and cost issues implicated by 711 presubscription are similar to those related to 411 presubscription. Indeed, because far fewer people use TRS than DA services, the economic feasibility of 711 presubscription is even more questionable. Moreover, the benefits are fewer because users of TRS will still have to use an alternative access number when they are away from home. Under most circumstances, TRS users will not have the option of using the TRS provider of the person whose phone they are using because — unlike the case with interLATA toll presubscription — most customers will

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<sup>13</sup> SBC's switches can query an AIN database, a toll-free database and a calling name database, but LIDB is based on an older architecture and SBC's end office switches cannot currently access this database.


have no need to presubscribe to a 711 provider.<sup>14</sup> Thus, when away from home (*e.g.* at another residence or a payphone), TRS users would not only need an alternative access number to reach their preferred TRS provider, they would need an alternative access code to reach *any* TRS provider.

### III. CONCLUSION

For the foregoing reasons, the Commission should reject Telegate's 411 presubscription proposal and the modified and/or substitute proposals made by commenting parties. The Commission should also abandon its inquiry regarding presubscription to other N11 codes, including 711.

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<sup>14</sup> This point leads to another cost recovery issue that has not been addressed: should customers with no need for TRS bear any of the costs associated with 711 presubscription?



CERTIFICATE OF SERVICE

I, Peggy Owen, do hereby certify that a copy of **SBC's Reply Comments** has been served on the parties attached via postage-prepaid on this 14<sup>th</sup> day of June 2000.

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